

County Committee Hears Cost-Saving Suggestions

Privatizing liquor stores and hiring a schools Inspector General among the suggestions

By [David Sabia](#) | [Email the author](#) | October 21, 2010

Community members and representatives from local non-profits met with the Montgomery County Organizational Reform Commission Wednesday night to determine strategies to combat the \$145 million projected deficit facing the county.

Among the top suggestions were selling all the County-owned liquor stores and hiring an internal watchdog to monitor spending in the school system.

The eight-person committee met in an hour-and-a-half long public forum at the council office building in Rockville to evaluate fund consolidating and cost-saving suggestions that merited further consideration. The savings were required to include a minimum level of potential cost savings, a standard for ease of implementation and a measure of acceptable service-level impact.

"We have mammoth task ahead of us," said Vernon Hicks, the commission's co-chair. "We're receiving a lot of input and our cups are running over with packages to look at. One thing I can say is we have a super commission here, who are dedicated and committed to make process work."

Chairs from non-profit Montgomery and the Mid-County Citizens Advisory Board (MCCAB) as well as a handful of residents from all over Montgomery County, voiced a wealth of ideas to produce savings ranging from \$100,000 to \$200 million.

Privatizing liquor stores was one plan advocated by multiple presenters.

"Selling all the county's liquor stores to private vendors could loosen up a lot of funds," said Gam Wijentunge, vice-chair of the MCCAB. "We'd rather the Department of Liquor Control be concerned with licensing and oversight instead of sales. If vendors have greater control, they can meet greater demands, while the government can increase sales tax and licensing revenue."

Silver Spring resident Gordie Breene seconded Wijentunge's notion, adding that the \$41 million net profits the DLC recorded in 2009 is probably closer to \$10 million after all the absorbed costs are considered.

"[Privatizing liquor sales] would increase sales opportunity, while giving customers cheaper prices," said Breene, an accountant who moved to Montgomery County in 1973. "It would easily cover the DLC's net profit."

Brenne also suggested selling a county-owned, state-of-the-art warehouse at its \$50 million price tag to "retire debt, save the interest in appreciation" and possibly have "realized profit" if the proceeds exceed the project's costs.

Meanwhile, Janice Sartucci of Potomac and Bob Monsheimer of Silver Spring said the public school system offered a number of avenues for cost cutting.

Sartucci raised the idea of appointing an independent Inspector General position for the county to oversee major procurements made by Montgomery County Public Schools (MCPS) that have currently been made "out of the sunshine."

"No one will come in and say that's inappropriate," said Sartucci, referencing MCPS purchases, including leases, surveillance cameras and artificial turf for athletic fields. "No reports are coming in saying 'you can't do that.'"

She added that there is "minimal oversight" on MCPS spending, mostly done in an annual report from an auditing firm to make sure "all the ducks are in a row."

"If there is a duck way over there," Sartucci elaborated. "We're not catching him."

Monsheimer highlighted the differentiations in the level of benefits paid to MCPS employees versus other government workers. If the benefit packages were leveled across the board, he said, savings of between \$35 million and \$50 million could be created.

Rachel Glass and Anna Lopez, co-chairs of Non-Profit Montgomery, expressed a desire to ease paperwork requirements for non-profits, who are facing "enormous reduction in support while need rises."

"Contracting changes this year have increased forms from a couple pieces of paper to stacks," said Glass, who is also the Executive Director of the Montgomery Coalition for Adult English Literacy. "We've have had to hire people just to handle contracts with the county and expend a lot of time, energy and resources to make sure we are completing requirements."

One of Glass and Lopez's main alternatives for the county was to convert their annual contracts with "long-standing" non-profits into multi-year deals.

As the session concluded both Hicks and his fellow co-chair Richard Wegman repeatedly thanked the presenters for their input.

"This has been a great dialogue, and we will be digesting all of your input," Hicks said. We still need to go through a lot of data, but we appreciate your time. It will be very valuable to help with our decisions moving along."

The commission will spend the rest of November and December drafting recommendations, engaging the public in further discussion and analysis, and modifying their findings.

The commission is required to submit their final report to the County Council by January 31, 2011.